Recommendations of National Shipping Board

986. SHRI N. E. BALARAM
SHRI GURUDA'S DAs GUPTA;

Will the Minister of SURFACE TRANSPORT be pleased to state;

(a) whether it is a fact that the National Shipping Board **has** recommended the need for developing the country's ship building industry;

(b) whether it is fact that our shipyards are suffering from under-utilisation of capacity;

(c) if so, what are the "apacities of our various **phipykFcfe** and' actually used during the last Ave years; and what is the Government's reaction to the Board's recommendation;

(d) whether if is fact that Government are allowing Indian shipping companies to purchase foreign manufactured ships instead *of* getting them manufactured from our own shipyards; and

(e) if so, the details thereof and the reasons therefor?

THE MINISTER OF WATER RESOURCES WITH ADDITIONAL CHARGE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI MANUBHAI KOTADIA): (a) National Shipping Board in its meeting held on 29-9-1988 discussed and noted the measures contemplated by the Government to improve the functioning of the Indian Shipbuilding yards.

(b) Yes, **Sir.**

(c) The installed capacity and capacity utilisation at the two Major Public Sector Shipyards viz. Hindustan Shipyard and Cochin Shipyard during the last five years is as under.-

(in DWT)

YEAR	H.S.L. CAPACITY		C.S.L. CAPACITY	
	Installed	Utilised	Installed	Utilised
1985-86 .	89,655	77,400	150,000	46,114
1986-87 .	92 880	53,320	150,000	31,200
1987-88 .	97,180	49,985	150,000	28,400
1988-89 .	108,360	53,965	150,000	38,430
1989-90 .	139,750	49,110	150,000	43,700

There is a Standing Committee under the Chairmanship of Secretary (SFT) to review and suggest long term measures for ensuring adequate orders *on* Indian Shipyards. This Committee reviews the situation on the basis of position on ground in various Shipyards and the proposals for acquisition of various shipping companies. In addition, ship Acquisition Licensing Committee in this Ministry also keeps in view the projected availability of production slots of H.S.L, and C.S.L. for further placement of orders.

(d) and (e) The Indian shipyards have limited capability in terms of type, size as also the number of vessels they can manufacture in a given time. To ensure adequate orders on Indian yards, the Government has imposed pari-passu obligation on the Indian shipowners. As per this

scheme, Indian shipowner is required tO place order on an Indian shipyard for one ship (in terms of DWT) against orders for every 3 ships from foreign yards. However, the productivity of the Indian yards is very low and their cost of construction is also quite high.

Unemployment of Shipmen

987. SHRI CHATURANAN MISHRA:
SHRI GURUDAS DAS GUPTA:

Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether it is a fact that a number of shipmen are rendered unemployed every year in the country because of less deployment of Indian vessels for foreign trade;

(b) if so, what is the percentage of Indian vessels used in our foreign trade during the last five years, year-wise, the number and percentage of shipmen rendered unemployed during the period port-wise; and

(c) what action is proposed to be taken to solve the problem?

THE MINISTER OF WATER RESOURCES WITH ADDITIONAL CHARGE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI MANUBHAI KOTADIA): (a) Seamen are registered with Seamen's Employment Officers at Bombay and Calcutta. By and large there is no problem of unemployment in respect of seamen registered at Bombay. There has, however, been a reduction of job opportunities at Calcutta mainly on account of scrapping of vessels which were earlier operating from Calcutta and on account of withdrawal of operations by foreign shipping lines at Calcutta.

(b) Share of Indian ships in moving the country's overseas cargo is recorded in terms of overseas traffic tonnage moved, which is given below:—

Year	Total overseas traffic tonnage	Share of Indian flag	%
1985-86 .	86-35	29-95	34-7
1986-87 .	87-15	32-81	37-7
1987-88 .	88-07	34 30	38-9
1988-89 .	101-97	34-64	34 0
1989-90 .	107- 87	39 28	36 4

Information regarding the number of seamen rendered unemployed with respect to Indian ships is not available as Indian seamen are employed both on Indian and foreign flag ships. The total number of Indian ships engaged in foreign trade as on 1-1-85 was 220 at Bombay and 83 at Calcutta. This number has come down to 203 at Bombay and 65 at Calcutta as on 1-1-91. The total number of seamen registered as on 1-1-85 was 21809 at Bombay and 9529 at Calcutta. This number came down to 19379 at Bombay and 8489 at Calcutta as on 1-1-91.

(c) Govt, have taken several steps to assist the Indian shipping industry. These include speedier clearance of acquisition proposals from private sector companies, revised age-norms for acquisition of secondhand ships, simpler scrappingjsale procedures, rehabilitation of sick shipping companies, provision of fiscal incentives, permission to acquire ships upto 25 per cent iN excess of assessed requirements, permission to Indian shipping companies to place orders on Indian shipyards without reference to assessed requirements, *etc.*